

**RESIDENT ADVISOR
URBAN INFRASTRUCTURE
TIRANA, ALBANIA**

**MONTHLY PROGRESS REPORT
OCTOBER 1996**

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Key Developments

The elections for local governments were held on October 20 and a run-off took place one week later. The Democratic Party candidates won in most districts. Skoder is the only major urban area with a non-democrat as mayor. Town councils have a higher proportion of opposition members since representation is proportional and mayoral races are winner-take-all.

- Mr. Noka is the Acting Minister of Public Works and has established a General Directorate for the water department headed by Straveri Ristani.

Summary of Program Activities

Infrastructure

■ **Corporatization and Privatization.** The analysis of the Tirana Water System for purposes of corporatization is proceeding. KPMG, the World Bank contractor, met with this office and the French team from BCOM, who are doing the national water strategy for Albania. This will form the basis for water management in all water use sectors.

The contracting laws in the water sector pose a problem for the management of all water resources, but for drinking water, waste water discharge and power generation in particular. There are multiple donors and multiple ministries involved in water allocation and use. Martha Beauchamp worked with the Secretariat to the Water Resource Council, a consulting group sponsored by the European Union, the United Nations Food and Agricultural Organization, and members of the Ministry of Public Works to divide jurisdiction and proceed to develop water management and regulatory policy. They have reached general agreement and are drafting materials for the Albanian counterparts to consider. It should be noted that the counterparts have agreed in principle to the structure. Work under a separate RFS has begun on the structure of the WSSR. The final resolution of the Commission must await the appointment of the technical staff and commission members.

A draft study of the cost of service for three enterprises, Durres, Kavaja, and Berat, has been translated into Albanian and has been well received by our counterparts.

■ **Solid Waste.** Jim Smith was in Albania during October. He worked with the cities of Tirana and Elbisan and the Ministry of Public Works. He worked with the Procurement Department of the Ministry on the finalization of the manual for privatization, contracting and contract monitoring of solid waste services. The manual includes instruction on the preparation of bidding documents, bid evaluation criteria, contract monitoring, and examples of model contracts.

In Tirana a review, evaluation, and assessment of the contract management and performance monitoring regime which is now in effect to manage the two solid waste collection contracts was conducted. In Elbisan there was a meeting with the representatives of the Italian firm conducting a feasibility study of the water and waste water system for the World Bank. The Bank has agreed to provide \$150,000 for a feasibility study for waste collection and disposal. In particular, for a new land fill. The current one is on the banks of a river and has a sewer out-fall running through it. In a recent trip to Washington Steven Swanson secured a tentative agreement with the Bank to provide the funds for the study. C. Latti and Associates has made a proposal which seems to meet with everyone's approval. Work should begin in a month or two.

Land Management

■ **Land Management and Upgrading.** We are preparing for the technical assistance to be provided to three municipalities: Korca, Durrës and Elbisan and are currently in the process of scheduling the activities and arranging meetings.

Technical assistance has begun to prepare the necessary information and analysis for the World Bank pre-appraisal mission scheduled for mid-November. The Bank is preparing investment schedules and cost estimates for two sites which will be upgraded. Progress to date includes: (a) completion of the housing topology for the land outside the yellow line in the Tirana region; (b) completion of the maps for secondary roads in Selita and detailed design; (c) the road map, zoning map for the 250 ha. site at Behtore and a more detailed map for the first 12 ha. have been completed; and (d) a surveyed plans of 7 ha. in Mihal Grameno.

For the five upgrading sites, the off-site infrastructure—both existing and planned by various authorities—was collected. This includes water supply absorption points, sewerage and wastewater disposal and electric supply. Additional information for some sites is still being collected.

Preliminary design estimates have been carried out for four sites. In Lapraka, a preliminary design was carried out by HUK Consulting. This design was reviewed and some modifications incorporated. In Kombinati, a preliminary design carried out for 9.5 ha. which is part of the original 70 ha. pilot site. In Selita, preliminary estimates for new sites and estimates of the needed rehabilitation at the Old Selita were made. More detailed work remains to be done. In Bathori, the District road plan was reviewed and preliminary cost estimates for the 270 ha. were completed. Cost estimates have been based upon historical data and engineering estimates.

Planned Activities

- Continue technical assistance to WSSR Commission in November with additional work on the structure and procedures for the regulatory commission.
- Continue developing coordinated plan with UNDP and World Bank to provide assistance to the water sector.
- Begin assistance to Durres, Korca and Elbisan on November 4. This will be an integrated effort to provide assistance designed to improve and increase the housing and urban infrastructure in these three cities.
- Conduct additional rate studies and seminars to train water utility personnel on estimating the cost of service and corporatization requirements are being planned.